



North Dakota
LEGENDARY

2014 Report to
the Joint Industry,
Business & Labor
Committee

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BUSINESS DEVELOPMENT - BY THE NUMBERS



30

*New businesses or expansions
completed since July 2013*

2,343

*Total employment (direct/indirect)
projected through 2019*

\$947 million

*Personal income projected
through 2019*

\$4.328 billion

*Economic output projected
through 2019*

\$735 million


State tax revenue projected through 2019

53

*New primary sector projects actively
considering locating or expanding in
North Dakota since July 2013*

35

*New primary sector companies visited North
Dakota to consider locating their business
since July 2013*



*“ We went to the Mayo Clinic
and they looked at all our work.
They called it a game-changing
technology. ”*

- Richard Glynn, CEO, Avianax, Grand Forks, ND, as quoted in Associated Press article "Trial Results Promising For Curing Puppies' Parvo", June 1, 2014

Avianax – Grand Forks

Avianax's story began in 2002, when West Nile Virus became endemic and threatened the domestic goose industry. Through various experiments done at the University of North Dakota and Schiltz Goose Farms, Inc., Avianax found that purified antibodies administered through a watering system were an economical source of protection and ultimately helped save the goose industry.

Avianax has gone on to develop antibodies against 14 diseases, such as HIV and a Parovirus vaccine for puppies that gained national attention. These efforts drew the attention of the U.S. Department of Defense in their search for preventive measures against Ebola.

Researchers from Avianax and the University of North Dakota met with Department of Defense officials in October to showcase an antibody they developed for a virus that

acts similar to Ebola. The Department of Defense requested the meeting because of the potential they are seeing from this North Dakota company.

Avianax is part of the Center of Research Excellence, which are hubs for research and development on the campuses of North Dakota's colleges and universities, partnering with private companies to generate new business opportunities. These Centers explore research in the fields of energy, agriculture, life sciences, aerospace, manufacturing and electronics.

TOURISM – BY THE NUMBERS



\$5 billion

Contributed by Tourism to the state's economy in 2012

\$119

Returned in visitor spending for every \$1 invested in advertising the state

1.3 million

Trips motivated by paid advertising resulting in \$210.7 million in spending

23 million

Persons reached by Tourism's digital presence

108

New hotels offering over 8,000 rooms to visitors

3,137

Additional rooms available to travelers at 29 new properties throughout the state

\$1 million

Average annual international media coverage value



“We like to share our farming experiences with the public. From livestock, crop production, and having bees on the farm, to the geology and history, there’s a lot going on in rural America.”

Joe Breker, Owner
Coteau des Prairies Lodge, Havana, ND

Coteau des Prairies Lodge – Havana

Joe Breker stands on the wide porch of Coteau des Prairies Lodge, leaning against the log railing and squinting to survey the wide open plains below. As the patriarch of the Breker family, which owns and operates the lodge, he sees opportunity on the horizon.

“(At Coteau des Prairies Lodge), you can get away from it all in the middle of the countryside with a great view,” explains Breker. “You don’t hear trains or truck traffic anywhere nearby. You are out in the prairie and farmland of southeastern North Dakota.” The lodge is built of ponderosa pine harvested from southwestern North Dakota, creating a rustic environment that is a true expression of the state. Visitors have come from as far away as Russia to enjoy its ambiance, hearty meals and wide open spaces.

Tourism is booming in North Dakota, ranking as one of the state’s top three economic drivers. In 2012, North Dakota ranked #1 in the U.S. for travel expenditure growth (up 15 percent). Visitors are expressing interest in agritourism destinations, and Coteau des Prairies fits the bill perfectly.

“We like to share our farming experiences with the public,” says Breker. “We’ve had other agricultural groups visit our farm over

the years and they’ve said, ‘Wow, there’s so much more going on here than we realized.’ From livestock, crop production, and having bees on the farm, to the geology and history, there’s a lot going on in rural America.” The Coteau’s interpretive tours of modern farming practices are popular, but it’s not all work on the farm; hayrides and winter sleigh rides are also part of the Coteau experience.

Development of Coteau des Prairies was supported in part by the North Dakota Department of Commerce, using a tourism grant to help with website development and marketing materials, along with an expansion grant for construction of lodge amenities.

“We have been so delighted with the input we’ve gotten from the Commerce Department, North Dakota Tourism and the Bank of North Dakota,” says Breker. “Everybody has just literally stopped what they’re doing to help us in our process of getting where we are today.”

For more information on tourism grants and other business development programs available from the North Dakota Department of Commerce, visit NDTourism.com/industry.

COMMUNITY DEVELOPMENT – BY THE NUMBERS

43,636

*People impacted by Community
Development and Community
Services Block Grants*

100

*Families with disabilities assisted
with Shelter Plus Care Housing
Assistance Grants*

144

*Homes rehabilitated with
Community Development Block
Grants and HOME Program*

139

*New affordable housing and rental units
with Community Development Block Grants
and HOME Program*

107

*Proposed jobs from Community
Development Block Grant projects*





“ We have new-hires moving to Fargo from Minneapolis, Chicago and Denver. This city is a tight-knit community, and a great place to foster new businesses. ”

Ryan Raguse, President/Chair
Myriad Devices, Fargo, ND

Myriad Devices – Fargo

It's almost urban folklore: Two visionary college students identify a business opportunity and then launch a tech business from the desks of their dorm room.

Myriad Devices is not urban folklore. It's a thriving mobile technology company which is fulfilling a market need for app development and seeing exponential growth in the process. And the two college friends, Jake Joraanstad and Ryan Raguse, now reside at the head of the company as Chief Executive Officer and President/Chair, respectively.

Since its inception in 2011, Myriad Devices has seen year-on-year growth well above 400 percent (in 2012, the company hit an incredible 800 percent increase in sales). Today, there are over 50 employees based in the Fargo headquarters, and Myriad Devices has its sights set on becoming one of the top three mobile development companies in the United States.

The North Dakota Development Fund provided growth capital to Myriad Devices to help them continue on this trajectory.

“Our business is our people and their talents,” says President and Chair Ryan Raguse.

Raguse says there is a deep talent pool in the Fargo community, and Myriad Devices is devoted to tapping into that. The company hires an array of North Dakota State University, Concordia College and Minnesota State University Moorhead graduates.

“We have new-hires moving to Fargo from Minneapolis, Chicago and Denver,” explains Raguse. “This city is a tight-knit community, and a great place to foster new businesses.”

WORKFORCE DEVELOPMENT – BY THE NUMBERS

10,120

*Out-of-state job seekers
connected to the Experience ND
Relocation Program*

678

*Families and individuals assisted
in relocating to North Dakota
since July 2008*

112

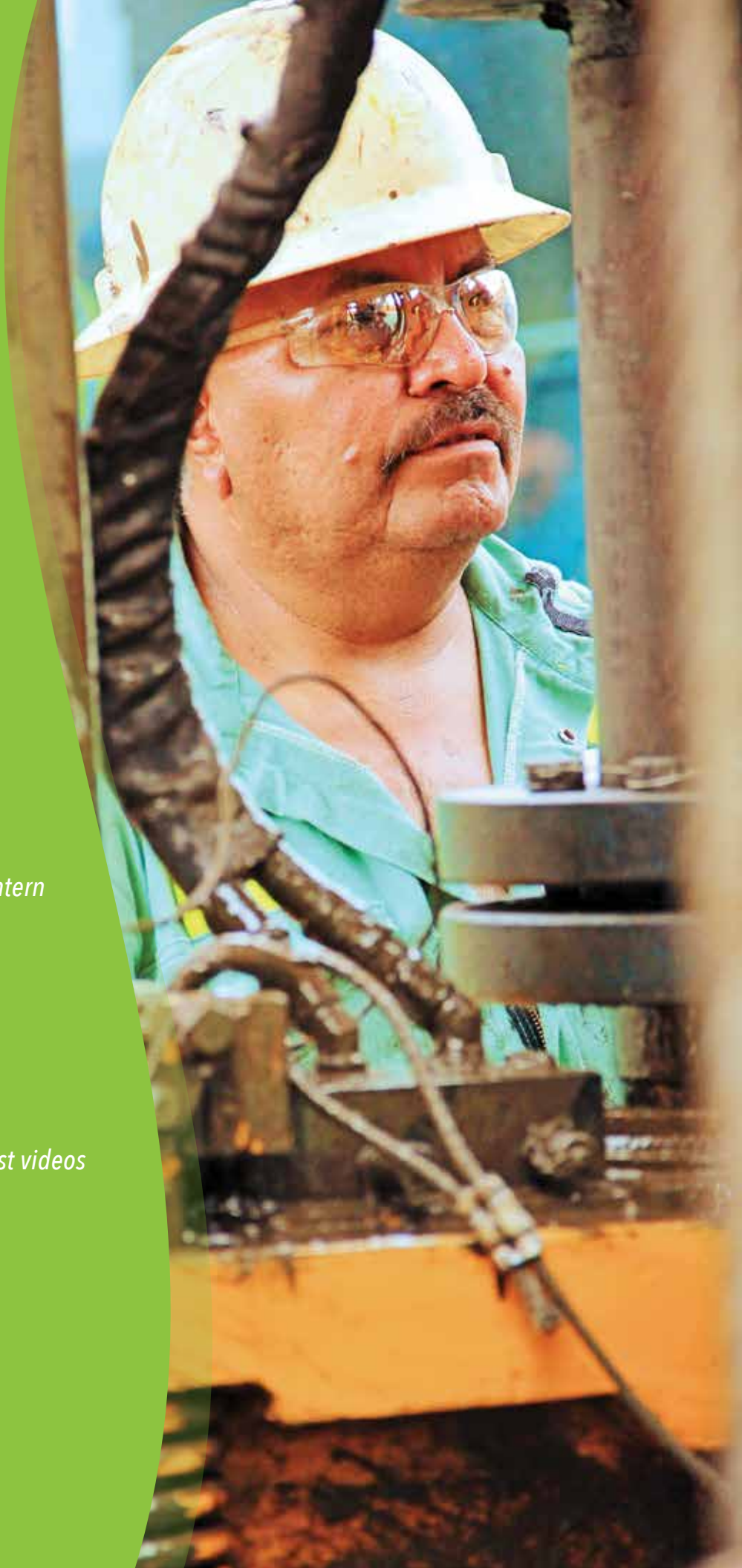
Business participating in Operation Intern

523

*Internships with funding assistance
from Operation Intern*

8,919

Views on Career Conversations podcast videos





“We were very impressed with the way the community banded together to help each other. It’s beautiful and we fell in love with it here.”

Sarah Bossie, relocated from Maine to Minot, ND

Finding the Good Life in North Dakota

When Maine native Sarah Bossie came with her family to North Dakota in 2011 to complete her master’s degree at Minot State University, she didn’t know if would be a life-changing event.

“It was during the flood so even though we were here during one of the hardest times in Minot’s history, we were very impressed with the way the community banded together to help each other,” Bossie said. “We felt attached to Minot as a community, I think largely in part to being here during that crisis and always knew we wanted to come back.”

After her schooling in the state, Bossie and her family decided to make North Dakota their permanent home.

“We could see that there was huge potential for growth in both of our industries and there was so much more to do as a family and with our children, not just in Minot but in North Dakota as a state,” Bossie said. “It’s beautiful and we fell in love with it here.”

Bossie is an administrative assistant for the North Dakota Department of Transportation. Her husband, Steve, works for Farstad Oil.

“I work with some amazing people and I love my job,” she said. “I know my husband feels the same way about Farstad. Both places have been great to us and we feel very fortunate to have landed in such great places.”

The Bossie’s have two daughters, 10-year-old Caitlyn and two-year-old Jillian.

“My 10-year-old has adjusted very well to such a major life change and has made tons of new friends,” Bossie said. “Caitlyn almost has too many friends and it keeps us super busy most weekends but I am proud of her for handling the move as well as she has. My two-year-old just loves everyone everywhere so she is happy as well.”

“There is so much more here than where we came from in Maine,” Bossie said. “I think once you have lived somewhere for a while you forget about all the little things that make your community special.”

For more information on Find the Good Life in North Dakota efforts, visit FindTheGoodLifeinNorthDakota.com.

BUSINESS & INDUSTRY DEVELOPMENT

APUC — The Agricultural Products Utilization Commission (APUC) administers grants for the development of new and expanded uses for North Dakota agricultural products.

- ▶ Total sponsored projects from July 2013 – December 2014: 62
- ▶ Total funding provided: \$2.8 million

CENTERS OF EXCELLENCE & RESEARCH EXCELLENCE — These hubs of research and development at North Dakota colleges and universities partner with private companies to commercialize new products and services. Detail reflects total impacts through June 30, 2014.

- ▶ Total state dollars invested: \$57.8 million
- ▶ Total private dollars spent: \$110.7 million
- ▶ Total economic impact: \$751.1 million
- ▶ 264.5 new direct jobs
- ▶ \$4 raised for every \$1 awarded

RESEARCH ND — Stimulating partnerships between North Dakota's research universities and private sector businesses. Details reflect total impacts through November 2014.

- ▶ Six Research ND awards totaling \$925,748
- ▶ Two Research ND BIO awards totaling \$1.046 million
- ▶ 18 Venture Grant awards totaling \$1.898 million

DEVELOPMENT FUND — Providing important gap financing for companies starting or expanding in North Dakota, the Development Fund coordinates efforts between all financial sources, business and community.

- ▶ Invested \$11.9 million through 46 investments in 22 cities since January 1, 2013
- ▶ Total jobs at time of funding: 209
- ▶ 24 month job creation: 633
- ▶ Total dollars leveraged for each \$1 funded: \$4.04
- ▶ Total childcare loans accessed since July 2009: 33
- ▶ Total childcare dollars loaned since July 2009: \$1.9 million

** The Development Fund went over \$100 million in funded projects during this time. The Development Fund has received net appropriations of \$31 million, which equals a \$3.22 to \$1 return on investment.*

EMPOWER NORTH DAKOTA — The EmPower Commission's 2014 Policy Updates and Recommendations report was recently completed in preparation for the 2015 Legislative Session.

- ▶ EmPowerND.com

ENERGY EFFICIENCY & RENEWABLE ENERGY — Commerce is involved in many activities to promote energy efficiency in the public and private sectors and to facilitate the development and use of renewable energy sources within the state.

- ▶ Total energy grants: 71
- ▶ Total funding provided: \$9.5 million
- ▶ Total energy conservation grants: 24
- ▶ Number of housing units weatherized: 2,247

INNOVATE ND — Innovate ND provides education and support to help people turn business ideas into reality in North Dakota. Sixty entrepreneurs enrolled in 2014, maximizing the program's current participant capacity.

RENAISSANCE ZONES — By providing incentives to investors to find new uses for existing buildings, Renaissance Zones are helping to attract new businesses and housing to downtown areas across the state. Detail reflects activity from July 2013 through December 2014.

- ▶ Total cities participating: 56
- ▶ Total approved/completed projects: 1,358/1,089

SMALL BUSINESS DEVELOPMENT CENTER (SBDC) — The Small Business Development Center provides business assistance in the form of counseling, training and research that results in job creation/retention and economic wealth. Detail reflects activity from July 2013 through December 2014.

- ▶ Businesses served: 1,717
- ▶ Hours of consultation: 14,196
- ▶ Businesses started: 136
- ▶ Jobs created: 617
- ▶ Jobs retained: 587
- ▶ Total capital infused into small businesses in 2013-14: \$200.7 million

TOURISM — The efforts of our statewide hospitality industry, business partners and the Tourism Division make tourism the third-largest industry in North Dakota.

- ▶ For every \$1 invested in advertising the state, \$119 returned in visitor spending
- ▶ \$3.6 million spent by 21 million visitors, according to IHS
- ▶ \$307 million paid in state and local taxes, saving each ND household \$1,011
- ▶ Growth in all counties with 16.4% average spending increase
- ▶ 66% of spending from non-residents
- ▶ \$4.8 billion contributed to state's economy by Tourism in 2011
- ▶ \$950,000 granted to 21 tourism expansion and infrastructure projects, including new lodges, recreation facilities, campgrounds, art and historic site expansions and visitor center

COMMUNITY DEVELOPMENT

COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG) — CDBG provides financial assistance to local governments through grants and loans for public facilities, housing rehabilitation and economic development projects benefiting low to very low income individuals.

- ▶ Total homes rehabilitated: 44
- ▶ Total new affordable housing units: 118
- ▶ Total proposed jobs from projects: 107
- ▶ Total dollars expended in match funds: \$16 million
- ▶ Number of residents impacted: 16,498

COMMUNITY SERVICES BLOCK GRANTS (CSBG) — CSBG is an anti-poverty grant addressing low income challenges such as employment, education, income management, housing, emergency services, nutrition, self sufficiency and health.

- ▶ Total CSBG funds distributed to communities in 2013-2014: \$6.3 million
- ▶ 27,138 residents in 10,877 families impacted

EMERGENCY GRANTS — Through federal funding, Commerce delivers financial assistance to facilities and programs within North Dakota which provide temporary shelter to homeless individuals.

- ▶ More than \$775,000 million awarded in 2013-2014 to 24 homeless and domestic violence providers
- ▶ Over \$450,000 from the Shelter Plus Care Program provided for housing assistance grants to more than 70 families with disabilities

HOMELESS GRANT — Through state funding, Commerce delivers financial assistance to facilities and programs within North Dakota which provide temporary shelter, rental assistance, case management and other assistance to homeless individuals.

- ▶ \$2 million awarded to 26 homeless and domestic violence providers
- ▶ 9,700 individuals, families and youth served

HOME PROGRAM — The North Dakota HOME program has two primary activities: home owner assistance and rental unit production and assistance.

- ▶ Multi-family homes rehabilitated: 65
- ▶ Affordable rental units produced: 21
- ▶ Tenant based rental assistance: 636
- ▶ Homebuyers assisted: 109
- ▶ Single family homes rehabilitated: 35
- ▶ Total funding provided for HOME rental, acquisition, rehabilitation and construction: \$3.2 million
- ▶ Other funds leveraged for the development of affordable housing: \$12.1 million

Community Services initiatives also include:

- ▶ Backpacks for Kids
- ▶ Childcare Grants
- ▶ Homeless Grants
- ▶ Manufactured Housing
- ▶ North Dakota Census Office

WORKFORCE DEVELOPMENT

CAREER CONVERSATIONS — Career Conversations connects students, parents and educators to professionals with perspectives on life in high-demand careers, using short videos profiling their occupation.

- ▶ Number of views: 8,919
- ▶ Career Conversations videos posted as of December 2010: 80+

EXPERIENCE NORTH DAKOTA — Experience North Dakota provides one-to-one personalized assistance and connects out-of-state job seekers with career opportunities, training and relocation information such as housing, community resources and recreation.

- ▶ Over 10,120 out-of-state job seekers in the Relocation Program database
- ▶ 678 families and individuals in the Relocation program who notified us of their move to North Dakota

OPERATION INTERN — The Operation Intern grant program expands internship opportunities available with North Dakota employers. Details reflect activity from July 2013 to December 2014.

- ▶ Businesses participating: 112
- ▶ Number of interns who notified us they were hired for full-time jobs from May 2013 to December 2014: 24
- ▶ Number of internships funded: 523

YOUTH FORWARD — Youth Forward connects people ages 12-24 to a future in North Dakota by promoting jobs, entertainment, education and opportunities in our state.

- ▶ 2,080 unique visitors to NDYouthForward.com
- ▶ 1,024 Twitter followers
- ▶ 1,984 Facebook followers

Workforce Development programs also include:

- ▶ AmeriCorps
- ▶ Talent Initiative
- ▶ Recruiters Network
- ▶ Workforce Enhancement Grants
- ▶ Governor's Workforce & HR Conference



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